ROSEWOOD STONE GROUP
1505 BRIDGEWAY, SUITE 201
SAUSALITO, CALIFORNIA 94965
(415) 331-4400 tel.
(415) 331-4481 fax

TO: Kelly Teevan
FROM: Claudia Stroud
DATE: June 12, 1991

Here are the draft contracts for The Well transaction. As mentioned, there is a stock purchase as well as a loan commitment letter. Also, for us neophytes, a page with definitions of cash flow ratio and current ratio - terms that are used in connection with the loan.

Please keep in mind that these are drafts - our attorneys haven't done a final review and fine tuning and, of course, we await your comments as well.

I'll be in touch with you in a day or two. Hopefully, we can have lunch next week.

STOCK PURCHASE AGREEMENT

THIS AGREEMENT is made this ____ day of June , 1991 by and between Point Foundation, a California corporation ("Seller") and Rosewood Stone Group, Inc., a California corporation ("Purchaser").

WITNESSETH:

WHEREAS, Seller is the beneficial and record owner of 100,000 shares of Common Stock, par value $.01 per share, of Whole Earth Lectronic Link, Inc., a California corporation (the "Company"); and

WHEREAS, Purchaser wishes to purchase, and Seller wishes to sell 50,000 of said shares of Common Stock of the Company (the "Shares") , for $3.50 per Share, subject to the terms and conditions set forth below.

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NOW, THEREFORE, in consideration of the mutual covenants contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller hereby agree as follows:

I. SALE OF STOCK

1.01 Sale of Stock. Subject to the terms and conditions of this Agreement, on _____, 1991 (the "Closing"), Seller will sell, assign, transfer and deliver stock certificates representing the Shares to Purchaser free and clear of any liens, claims, charges or encumbrances of any nature whatsoever, and in consideration Purchaser will deliver to Seller by certified check or wire transfer $175,000 (the "Purchase Price").

1.02 Certificate of the Company. At the Closing, the Seller will deliver to Purchaser a certificate signed by the President of the Company stating that the Shares are validly issued, fully paid, nonassessable and free and clear of any liens, claims, charges or encumbrances of any kind whatsoever and that they represent fifty (50%) percent of the issued and outstanding common stock of the Company on a fully diluted basis.

Fig

1.03 Further Assurances. After the Closing, Seller shall from time to time, at the request of Purchaser, execute and deliver such other instruments and documents and take such other actions as Purchaser may reasonably request to consummate the transactions contemplated by this Agreement.

II. REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents, covenants and warrants to Seller as follows:

2.01 Authority; Valid and Binding. Purchaser has taken all action required by law to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. This Agreement is a valid and binding agreement of Purchaser enforceable in accordance with its terms, except that (i) such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights, and (ii) the remedies of specific performance and injunctive relief may be subject to equitable defenses and to the discretion of the court before which any proceeding may be brought.

2.02 Purchase Entirely for Own Account. The Shares to be received by Purchaser will be acquired for investment for Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. Purchaser does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to any of the Shares.

2.03 Restricted Securities. Purchaser understands that the Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from an affiliate of the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act of 1933, as amended (the "Act"), only in certain limited circumstances.

III. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents, covenants and warrants to Purchaser as follows:

3.01 Authority. Seller owns all right, title and interest in the Shares free and clear of any liens or encumbrances and has full authority to enter into this Agreement and consummate the transactions contemplated hereby.

3.02 Authorization. This Agreement is a valid and binding agreement of Seller enforceable in accordance with its terms.

3.03 No Violation. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate or conflict with, or constitute a default under, or cause the acceleration of the maturity of any debt obligation pursuant to any agreement or commitment to which Seller is a party or by which Seller is bound.

3.04 Shares. The Shares are validly issued, fully paid, nonassessable, and free and clear of any liens, claims, charges or encumbrances of any kind whatsoever. Except for this Agreement, there are no outstanding options, rights or agreements of any kind relating to the issuance, sale or transfer of the Shares.

3.05 Litigation. There is no action, suit, inquiry, proceeding or investigation by or before any court or governmental or other regulatory or administrative agency or commission pending or, to the best of Seller's knowledge, threatened against Seller that questions or challenges the validity of this Agreement.

3.06 Consents and Governmental Approvals. No consent, approval, or authorization of, or declaration, filing or registration with, any governmental or regulatory authority is required in connection with the execution and delivery of this Agreement and consummation of the transactions contemplated hereby.

IV. CONDITIONS TO PURCHASER'S OBLIGATIONS.

Each and every obligation of Purchaser under this Agreement shall be subject to the satisfaction, on or before the Closing, of each of the following conditions, unless waived in writing by Purchaser:

4.01 Representations and Warranties. The representations and warranties of Seller contained herein shall be true and accurate in all material respects at and as of the date when made and at and as of the Closing as though such representation and warranties were made at and as of such date.

4.02 Certificate. Seller shall have furnished Purchaser with the certificate of the Company required by Section 1.02 of this Agreement.

4.03 Prove that Debt to NETI has been paid. {Promissory Note S/b returned "paid/cancelled"

V. CONDITIONS TO SELLER'S OBLIGATIONS.

Each and every obligation of Seller under this Agreement shall be subject to the satisfaction, on or before the Closing, of the following condition, unless waived in writing by Seller:

5.01 Representations and Warranties. The representations and warranties of Purchaser contained herein shall be true and accurate in all material respects at and as of the date when made and at and as of the Closing as though such representations and warranties were made at and as of such date.

VI. COVENANTS OF SELLER.

6.01 Purchaser's Right of First Offer. Before any shares of stock registered in the name of Seller may be sold or transferred (including transfer by operation of law or other involuntary transfer) such shares shall first be offered to the Purchaser in the following manner:

(a) The Seller shall deliver a notice by certified mail to the principal business office of the Purchaser stating (i) its bona fide intention to sell or transfer such shares, (ii) the number of such shares to be sold or transferred and (iii) the price and terms for which it proposes to sell or transfer such shares (the "Notice").

(b) The Purchaser shall have the right at any time within fourteen (14) days of receipt of the notice to exercise its right to purchase some or all of the shares being offered at the price specified in the notice. Said right shall be exercised by written notice signed by an officer of the Purchaser, which notice shall specify the time, place and date for settlement of such purchase.

(c) If some or all of the shares to which the Notice refers are not elected to be purchased, the Seller may sell such shares to any person at not less than ninety (90) percent of the price specified in the Notice or at a higher price, and on terms no more favorable than the terms contained in the Notice, provided that such sale or transfer is consummated within 120 days of the date of said Notice. If the sale or transfer is not closed and title to the shares transferred within such 120-day period, the right provided hereby shall be deemed to be revived with respect to such shares and no sale or transfer shall be effected without again first offering the shares in accordance herewith.

(d) Notwithstanding the above, Purchaser shall have no right under this Section VI at any time subsequent to a public offering of the common stock of the Company.

6.02 Composition of the Board of Directors. Effective at the time of Closing, the By-laws of the Company shall be amended so that the Board of Directors shall consist of _____ persons, and _____ shall have been elected as Directors of the Company.

VII. COVENANTS OF PURCHASER.

7.01 Seller's Right of First Offer. Before any shares of stock registered in the name of Purchaser may be sold or transferred (including transfer by operation of law or other involuntary transfer) such shares shall first be offered to the Seller in the following manner:

(a) The Purchaser shall deliver a notice by certified mail to the principal business office of the Seller stating (i) its bona fide intention to sell or transfer such shares, (ii) the number of such shares to be sold or transferred and (iii) the price and terms for which it proposes to sell or transfer such shares (the "Notice").

(b) The Seller shall have the right at any time within fourteen (14) days of receipt of the notice to exercise its right to purchase some or all of the shares being offered at the price specified in the notice. Said right shall be exercised by written notice signed by an officer of the Seller, which notice shall specify the time, place and date for settlement of such purchase.

(c) If some or all of the shares to which the Notice refers are not elected to be purchased, the Purchaser may sell such shares to any person at not less than ninety (90) percent of the price specified in the Notice or at a higher price, and on terms no more favorable than the terms contained in the Notice, provided that such sale or transfer is consummated within 120 days of the date of said Notice. If the sale or transfer is not closed and title to the shares transferred within such 120-day period, the right provided hereby shall be deemed to be revived with respect to such shares and no sale or transfer shall be effected without again first offering the shares in accordance herewith.

(d) Notwithstanding the above, Seller shall have no right under this Section VII at any time subsequent to a public offering of the common stock of the Company.

VIII. MISCELLANEOUS.

8.01 Survival of Representations. The representations and covenants of the Purchaser and Seller contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing and shall in no way be affected by any investigation of the subject matter thereof made by or on behalf of the Purchaser or the Seller.

8.02 Further Instruments and Actions. The parties agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

8.03 Expenses; Transfer Taxes, Etc. Except as otherwise provided in this Agreement, each party agrees that all fees and expenses incurred by it in connection with this Agreement shall be borne by it, including, without limitation, all fees of counsel,

financial advisors and accountants. Seller agrees that it will pay all sales, transfer or other taxes which may be payable in connection with the transactions contemplated by this Agreement.

8.04 Amendments and Waivers. This Agreement represents the entire understanding of the parties with respect to the subject matter hereof and supersedes all previous understandings, written or oral. This Agreement may only be amended with the written consent of the parties hereto, or their successors or assigns, and no oral waiver or amendment shall be effective under any circumstances whatsoever.

8.05 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interest or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other party.

8.06 Governing Law. This Agreement and the legal relations among the parties hereto shall be governed by and construed in accordance with the laws of the State of California.

8.07 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8.08 Headings. The headings of the Sections and Articles of this Agreement are inserted for convenience only and shall not constitute a part hereof or affect in any way the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

POINT FOUNDATION

By_____

ROSEWOOD STONE GROUP, INC.

By_____

6/19

Ltr. to NETI

Here's final & complete payment.
What form of check?

Loan. $47,500 RS → PT → WELL → NETI

Resolution Corp resolution re: buy from NETI & sell to Bruce.
sign. by secretary.
(KAJ?)

(*) Get stk purch agrmt from C.S. to Mike.
NETI Sign stock purchase agrmt.
Get shares.
→ Escrow via Elliot.

(*) Call Elliot re → comments